

**SCHEDULE SE**

**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (X)

**Social Security Self-Employment Tax**

► See Instructions for Schedule SE (Form 1040).

► Attach to Form 1040.

OMB No. 1545-0074

**1988**

Attachment  
Sequence No. 18

Name of person with self-employment income (as shown on social security card)

SchSE 1 L H1

Social security number of person  
with self-employment income ►

SchSE 1 L H2:

**Who Must File Schedule SE**

You must file Schedule SE if:

- Your net earnings from self-employment were \$400 or more (or you had wages of \$100 or more from an electing church or church organization); AND
- You did not have wages (subject to social security or railroad retirement tax) of \$45,000 or more.

For more information about Schedule SE, see the Instructions.

**Note:** Most taxpayers can now use the new short Schedule SE on this page. But, you may have to use the longer Schedule SE that is on the back.

**Who MUST Use the Long Schedule SE (Section B)**

You must use Section B if ANY of the following applies:

- You choose the "optional method" to figure your self-employment tax. See Section B, Part II;
- You are a minister, member of a religious order, or Christian Science practitioner and received IRS approval (from Form 4361) not to be taxed on your earnings from these sources, but you owe self-employment tax on other earnings;
- You are an employee of a church or church organization that chose by law not to pay employer social security taxes;
- You have tip income that is subject to social security tax, but you did not report those tips to your employer; OR
- You are a government employee with wages subject ONLY to the 1.45% medicare part of the social security tax.

**Section A—Short Schedule SE**

(Read above to see if you must use the long Schedule SE on the back (Section B).)

1	Net farm profit or (loss) from Schedule F (Form 1040), line 39, and farm partnerships, Schedule K-1 (Form 1065), line 14a . . . . .	1	SchSE 1 1	
2	Net profit or (loss) from Schedule C (Form 1040), line 31, and Schedule K-1 (Form 1065), line 14a (other than farming). See the Instructions for other income to report . . . . .	2	SchSE 1 2	
3	Add lines 1 and 2. Enter the total. If the total is less than \$400, do not file this schedule . . . . .	3	SchSE 1 3	
4	The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement tax (tier 1) for 1988 is . . . . .	4	\$45,000	00
5	Total social security wages and tips from Forms W-2 and railroad retirement compensation (tier 1) . . . . .	5	SchSE 1 5	
6	Subtract line 5 from line 4. Enter the result. (If the result is zero or less, do not file this schedule.) . . . . .	6	SchSE 1 6	
7	Enter the smaller of line 3 or line 6 . . . . .	7	SchSE 1 7	
If line 7 is \$45,000, enter \$5,859 on line 8. Otherwise, multiply line 7 by .1302 and enter the result on line 8 . . . . .			x .1302	
8	Self-employment tax. Enter this amount on Form 1040, line 48 . . . . .	8	SchSE 1 8	

For Paperwork Reduction Act Notice, see Form 1040 Instructions.

Schedule SE (Form 1040) 1988

Name of person with self-employment income (as shown on social security card)

SchSE\_2\_L\_H1

Social security number of person with self-employment income ▶

SchSE\_2\_L\_H2

**Section B—Long Schedule SE**

(Before completing, see if you can use the short Schedule SE on the other side (Section A).)

SchSE\_2\_A

- A** If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner, AND you filed Form 4361, then DO NOT file Schedule SE. Instead, write "Exempt-Form 4361" on Form 1040, line 48. However, if you filed Form 4361, but have \$400 or more of other earnings subject to self-employment tax, continue with Part I and check here. ☐
- B** If your only earnings subject to self-employment tax are wages from an electing church or church-controlled organization that is exempt from employer social security taxes and you are not a minister or a member of a religious order, skip lines 1–3b. Enter zero on line 3c and go on to line 5a.

**Part I Figure Social Security Self-Employment Tax**

1	Net farm profit or (loss) from Schedule F (Form 1040), line 39, and farm partnerships, Schedule K-1 (Form 1065), line 14a	1	SchSE_2_I_1	
2	Net profit or (loss) from Schedule C (Form 1040), line 31, and Schedule K-1 (Form 1065), line 14a (other than farming). (See Instructions for other income to report.) Employees of an electing church or church-controlled organization do not enter your Form W-2 wages on line 2. See the Instructions	2	SchSE_2_I_2	
3a	Enter the amount from line 1 (or, if you elected the farm optional method, Part II, line 10)	3a	SchSE_2_I_3a	
3b	Enter the amount from line 2 (or, if you elected the nonfarm optional method, Part II, line 12)	3b	SchSE_2_I_3b	
3c	Add lines 3a and 3b. Enter the total. If the total is less than \$400, do not file this schedule. (Exception: If you are an employee of an electing church or church-controlled organization and the total of lines 3a and 3b is less than \$400, enter zero and complete the rest of this schedule.)	3c	SchSE_2_I_3c	
4	The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement tax (tier 1) for 1988 is	4	\$45,000	00
5a	Total social security wages and tips from Forms W-2 and railroad retirement compensation (tier 1). Note: Government employees whose wages are subject only to the 1.45% medicare tax and employees of certain church or church-controlled organizations should not include those wages on this line. See Instructions	5a	SchSE_2_I_5a	
5b	Unreported tips subject to social security tax from Form 4137, line 9, or to railroad retirement tax (tier 1)	5b	SchSE_2_I_5b	
5c	Add lines 5a and 5b. Enter the total	5c	SchSE_2_I_5c	
6a	Subtract line 5c from line 4. Enter the result. (If the result is zero or less, enter zero.)	6a	SchSE_2_I_6a	
6b	Enter your medicare qualified government wages if you are required to use the worksheet in the Instructions	6b	SchSE_2_I_6b	
6c	Enter your Form W-2 wages of \$100 or more from an electing church or church-controlled organization	6c	SchSE_2_I_6c	
6d	Add lines 6b and 6c. Enter the total	6d	SchSE_2_I_6d	
7	Enter the smaller of line 6a or line 6d	7	SchSE_2_I_7	
8	If line 7 is \$45,000, enter \$5,859 on line 8. Otherwise, multiply line 7 by .1302 and enter the result on line 8	8	x .1302	
8	Self-employment tax. Enter this amount on Form 1040, line 48	8	SchSE_2_I_8	

**Part II Optional Method To Figure Net Earnings (See "Who Can File Schedule SE" in the Instructions.)**

See Instructions for limitations. Generally, you may use this part only if:

- A** Your gross farm income<sup>1</sup> was not more than \$2,400; or
- B** Your gross farm income<sup>1</sup> was more than \$2,400 and your net farm profits<sup>2</sup> were less than \$1,600; or
- C** Your net nonfarm profits<sup>3</sup> were less than \$1,600 and also less than two-thirds (⅔) of your gross nonfarm income.<sup>4</sup>

Note: If line 2 above is two-thirds (⅔) or more of your gross nonfarm income<sup>4</sup>, or if line 2 is \$1,600 or more, you may not use the optional method.<sup>1</sup>From Schedule F (Form 1040), line 12, and Schedule K-1 (Form 1065), line 14b.<sup>2</sup>From Schedule C (Form 1040), line 31, and Schedule K-1 (Form 1065), line 14a.<sup>3</sup>From Schedule F (Form 1040), line 39, and Schedule K-1 (Form 1065), line 14a.<sup>4</sup>From Schedule C (Form 1040), line 5, and Schedule K-1 (Form 1065), line 14c.

9	Maximum income for optional methods	9	\$1,600	00
10	Farm Optional Method—If you meet test A or B above, enter the smaller of: two-thirds (⅔) of gross farm income from Schedule F (Form 1040), line 12, and farm partnerships, Schedule K-1 (Form 1065), line 14b; or \$1,600. Also enter this amount on line 3a above	10	SchSE_2_II_10	
11	Subtract line 10 from line 9. Enter the result	11	SchSE_2_II_11	
12	Nonfarm Optional Method—If you meet test C above, enter the smallest of: two-thirds (⅔) of gross nonfarm income from Schedule C (Form 1040), line 5, and Schedule K-1 (Form 1065), line 14c (other than farming); or \$1,600; or, if you elected the farm optional method, the amount on line 11. Also enter this amount on line 3b above	12	SchSE_2_II_12	

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